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Sustainable Human Resource Management Practices Impacting Employer Branding

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Abstract
Business seeks a long-term competitive advantage to make money and stay afloat as the market grows more competitive. Human resource management is essential for gaining a competitive advantage. Companies that embrace sustainable Human Resource Management (HRM) practices have a distinct employer brand, but how an organisation's culture plays its role indirectly in employer value proposition is scarcely studied. This paper discusses academic literature on employer branding factors by sustainable human resource management, and helps to take a holistic perspective of the present state of global acceptance of HRM.

Keywords
Human Resource Management, Employer branding, Sustainable HRM

1. Introduction

In today's competitive market, companies must publicize their employer brands if they intend to attract new employees and keep their current employees happy and productive. Highly qualified and talented personnel are in higher demand in knowledge-based economies, because they may provide a long-term competitive advantage (Moroko and Uncles, 2008). The labour market is transitioning from a sellers' to a buyers' market, especially for highly skilled persons, because more high-value employment is available than eligible job searchers (Tumasjan et al., 2020). It is a challenge for human resource management (HRM) to sustain the organization's competitive edge over time by retaining highly qualified and motivated employees, as it is generally difficult to find and keep suitable candidates in organisations. Employee retention and productivity are critical components of long-term human resource management (Mohsen and Sarbuland, 2020)

The sustainability argument appears to be a possible answer to this problem. Other variables, such as resource regeneration and development, are considered in Sustainable HRM and sustaining a competitive advantage (Ehnert, 2009). Sustainable HRM is a solution for those businesses that wish to promote themselves as responsible employers and who offer a desirable workplace to prospective and present employees. Employer branding influences a person's desire to work for a given company, as it addresses characteristics such as culture, personality, and look. While culture shapes how employees act; personality and image shape how customers perceive a company. According to Backhaus and Tikoo (2004), building employer brands both inside and outside the organisation provides a more engaging working environment. In the 1990s, Ambler and Barrow (1996) invented the term *employer brand* (Backhaus, 2016; Theurer et al., 2018; Vatsa, 2016). Employer branding has become an important concept of the business world since then. An employer's brand is a collection of activities to recruit and retain new and existing employees (Ahmad et al., 2020). As a result, maintaining the company's public image is vital. Every company's productivity and capability are essential success elements. However, organisations face a tremendous challenge in attracting and retaining top-tier personnel in today's competitive environment. In such a situation, employer branding, which also tackles the scarcity of qualified workers, is the most effective technique for attracting and retaining top talent.

HRM is used to identify and keep the most outstanding individuals, regardless of the firm's size. Building your company's brand, is a very effective strategy for acquiring new employees. HRM impacts employee branding and organizational culture. It is critical to understand what employer branding is and how it affects job experience and commitment. Employee engagement has been studied for a long time. The importance of branding for both products and organisations has now been

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recognized by academics and practitioners alike. As branding strategy is still a relatively new concept, it is vital to investigate the concept deeper.

2. Theoretical background

In order to improve the corporate reputation and attractiveness to potential employees, Ahmad et al. (2020) claim that organisations tend to incorporate sustainability (primarily ecological and social aspects) into their branding and communication policies. This concept appears in previous corporate branding literature as well. Long-term HRM studies investigate whether the social component improves employer appeal (a significant consideration for job candidates) (Albinger and Freeman, 2000; Backhaus and Tikoo, 2004; Greening and Turban, 2000). As for Sustainable HRM, Tanwar and Kumar (2019) examine the importance of employer branding for all HR practices. According to these principles, resource-based theory, signalling theory, social identity theory, and person-organisation fit theory are all relevant theories. These are going to be discussed in detail below.

2.1. Resource-based Theory

One of the most important and frequently stated points of view, the resource-based view (RBV), has evolved with the advent of management theory. The central claim of RVB is that a corporation must acquire and hold valuable, rare, inimitable, and non-substitutable (VRIN) resources and capabilities, as well as have an organisation in place to absorb and utilise such resources in order to achieve sustainable competitive advantage (Barney, 1991). The RBV's basic premise, according to Grant et al. (2008), is appealing, simple to understand, and practical to teach since it has immediate face validity.

2.2. Signaling Theory

According to this theory, all of a firm's activities are considered as signals that the company sends out. During the hiring process, job candidates want organisations to share their characteristics as employers. When seeking a job, this information might assist potential employees in forming opinions about the working environment (Celani and Singh, 2011; Greening and Turban, 2000). Maintaining the company's HRM brand may assist in competing in the labour market by making the company more appealing to potential employees. The company gives future employees the ability to interpret the message of a substance-oriented employer by communicating Sustainable HRM. As a result, the company's reputation as an appealing place to work will improve. If Sustainable HRM is applied, an employer's competitive advantage will last longer.

2.3. Social Identity Theory

According to social identity theory, a person's self-perception is influenced by their involvement in various social organisations (Ashforth and Mael, 1989). Furthermore, employees' perceptions of themselves are affected by a company's image and reputation (Greening and Turban, 2000). Employees who can make comparisons between their company and less appealing companies may have a better self-image. As a result, having a favourable opinion of a firm might help people develop positive thoughts about themselves (Ashforth and Mael, 1989; Backhaus and Tikoo, 2004; Lievens et al., 2007; Mael and Ashforth, 1992), as employees may make cross-company comparisons based on the employer brand, affecting their self-perception. Sustainable HRM should be part of an organisation's employer brand, since it adds value to employees and helps them establish a healthy self-concept. This type of integration should also help businesses stand out from the crowd, boosting employee morale even further. To attract and retain top people, a company's employer brand must represent its dedication to long-term HRM. As a result, the company has a long-term competitive advantage.

2.4. Person–organisation Fit Theory

To achieve congruence or the best possible fit, job seekers should match their personal qualities and values with the firm's culture and identity, which explains the effect of Sustainable HRM on the employer brand (Cable and DeRue, 2002; Cable and Judge, 1996). Those who believe their personality suits the organisation's culture are more likely to look for work. Employees are concerned about safeguarding their resources (such as their employability or health). If Sustainable HRM is adopted, a company's culture can assist future and current employees identify with the organisation. According to a Corporate Social Performance (CSP) study, employees who value these intangible but meaningful benefits are more likely to value a good people–organisation fit (Albinger and Freeman, 2000).

3. Discussion

3.1 Sustainable HRM practices and employer branding

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Employer branding was established in the 1990s by Ambler and Barrow (1996), who defined it as a package of benefits gained from work, including functional, economic, and psychological benefits. At least two fields of study are involved in employer branding: human resources management and marketing, both influenced by their everyday activities (Kashive et al., 2020). However, global polls have demonstrated a clear link between employer branding and strategic management during the current (COVID pandemia 2020) crisis. According to academics, employer branding has its roots in management concepts such as *psychological contract* and *customer relationship management* (Barrow et al., 2007; Beaumont and Graeme, 2003; John and Raj, 2020).

Employer branding is becoming a more critical concern for businesses these days. Employers' ability to attract, hire and retain qualified employees is becoming increasingly crucial for the company's long-term success (Backhaus and Tikoo, 2004). A competent employer will successfully promote their attributes both inside and outside the organisation to project a positive picture of the workplace (Foster et al., 2010; Mosley, 2007). These objectives can only be achieved if employer branding is viewed as a critical component of HR management and the company's broader business strategy (Foster et al., 2010; Mosley, 2007). Companies can recruit and keep excellent personnel while paying them less than competitors if they have a stronger employer brand. The company benefits from increased earnings when revenues fluctuate less, and personnel are happier (Jackson, 2012). When the thoughts of a large number of employees are positive and confirmed, an organisation's image is boosted (for example, during talks on Internet networks). This draws more potential employees who want to contribute to the company's productivity and innovation. Strong employer brands have socio-psychological advantages, such as improved employee engagement and performance. As a result, they form a solid working relationship with their boss and feel like a valued member of the team. As the importance of a knowledge-based economy grows, so does the necessity for a robust corporate culture (Jackson, 2012; Oleksa-Marewska, 2020).

Finally, the firm's employer brand image reflects the present and potential employees' perceptions; therefore, an employee perspective must be considered while positioning an employer brand. Instead of relying on the supply from labour markets, Sustainable HRM proposes that businesses ensure the long-term supply and 'reproduction' of their human resources (App et al., 2012). Employees regard this as an investment in the company's human resource base, which benefits both present and future workers (Cooke et al., 2020). As a result, the organisation's attractiveness to potential employees improves. Thus, implementing Sustainable HRM into the employer brand could be a way to recruit top personnel (App et al., 2012). HRM enhances an organisation's ability to attract and retain outstanding employees, offering it a competitive advantage in the long run.

3.2. Sustainable HRM practices and organizational culture

Organisational culture refers to "a framework of values, beliefs, attitudes, norms, employee behaviour, and expectations shared by the organisation's members". Organisational culture has been shown to significantly impact performance, particularly efficiency and effectiveness (Nongo and Ikyanyon, 2012). This means that if a company develops the right culture, it will be successful. They assert that organisational culture impacts employee commitment, and employee commitment is inversely proportional to the strength of the organisation's cultural commitment (Nongo and Ikyanyon, 2012; Park et al., 2020). A company's culture, which includes the physical working environment, organisational structure, size, and work approach, plays a significant role in employer branding (Gaddam, 2008). Organisational culture, in other words, is what makes an organisation who it is.

The success or failure of an organisation is primarily determined by its culture. The employer brand has the power to influence the company's culture when imagining it as an appealing place to work. Because cultural dimensions such as organisational values, heroes, rites, and cultural networks all contribute to and influence employer branding, the employer branding process can change these dimensions. Semnani and Fard (2014) discovered a strong link between organisational culture and employee commitment. Corporate culture implies an employee's willingness to provide extra support for the brand and the company. Through employer branding, employees internalise the desired brand image and are motivated to project it to customers and other organisations (Miles and Mangold, 2005; Sharma and Raghuvanshi, 2021). Employer branding can change the way employees in the organisation think, feel, and react to customers and the brand, as long as the culture is defined as a "collective programming of the mind" that reinforces "patterned ways of thinking" that "think, feel," and "react"(Akuratiya, 2017; Barrow and Mosley, 2011). Intangible employer brand characteristics like culture are far more

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difficult for competitors to copy than operational components (Barrow and Mosley, 2011). The more closely an organisation's culture matches its desired employer brand, the more committed its employees are.

4. Results and limitations

Employer branding was first introduced into business literature in the 1990s due to the "war for talent" (Backhaus and Tikoo, 2004). According to a growing body of literature, the increased interest in employer branding results from local and global economies and demographic changes. As a result, companies increasingly recognise the value of attracting and retaining top-tier employees (Mosley, 2007). According to Backhaus and Tikoo (2004), employer branding aims to promote the desirable aspects of a company's workplace internally and externally to attract new hires and retain current ones.

Future research can be done to explore challenges that might arise. Finally, as information technology is evolving, businesses face rapid changes in internet marketing strategies, and this research is time-sensitive. There might be new barriers that can effect sustainable HRM in technology adoption; therefore, a research framework is needed that should keep highlighting technology adoption barriers for Sustainable HRM and employer branding.

5. Conclusion - organizational culture and employee branding

According to some experts, employee branding both reinforces and affects organisational culture. According to a People Energy Corporation study on the internal marketing effort, employees buy into the new company culture and align their behaviours with what is expected as the branding campaign progresses (Papasolomou and Melanthiou, 2012). As a result, cultural norms emerge based on the company's expectations (Vasantha, 2018). According to a Chinese market study by Xia and Yang, employer brands meet employees' spiritual and material needs, and as a result, they give back with improved motivation (Xia and Yang, 2010). Several studies have discovered a link between employer brand and employee attitudes, such as organisational identity (Hoppe, 2018), satisfaction, and commitment (Edwards, 2017; Schlager et al., 2011).

Similarly, having a well-known employer brand allows an employer to acquire top people for less money. For example, a strong employer brand can save a company 26% on labour costs. For firms with employer brands, the average allowed wage level is 859 euros, whereas, for organisations without an employer brand, the standard permitted income level is 1164 euros (Kucherov and Samokish, 2016).

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